

1 UNITED STATES DISTRICT COURT
2 EASTERN DISTRICT OF NEW YORK

2-----x 18-CR-204 (NGG)

3 UNITED STATES OF AMERICA,

4 Plaintiff, United States Courthouse
5 -against- Brooklyn, New York

6 CLARE BRONFMAN,
7 Defendant.

8-----x April 19, 2019
9
10 TRANSCRIPT OF CRIMINAL CAUSE FOR PLEADING
11 BEFORE THE HONORABLE NICHOLAS G. GARAUFI
12 UNITED STATES SENIOR DISTRICT JUDGE

13 APPEARANCES

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PROCEEDINGS

2

1 (In open court.)

2 THE COURT: Please be seated.

3 Be seated in the back.

4 THE COURTROOM DEPUTY: Criminal cause for a plea.

5 Counsel, please step up.

6 MR. PENZA: Moira Kim Penza, Tanya Hajjar, and Mark
7 Lesko for the United States. Good afternoon, Your Honor.

8 THE COURT: Good afternoon.

9 MR. GERAGOS: Good afternoon, Your Honor. Mark
10 Geragos, G-E-R-A-G-O-S, with Kate Cassidy. And present is
11 Clare Bronfman.

12 THE COURT: Good afternoon.

13 THE DEFENDANT: Good afternoon.

14 THE COURT: All right.

15 Mr. Geragos, I understand that your client wishes to
16 plead guilty to a superseding information subject to a plea
17 agreement.

18 MR. GERAGOS: That's correct, Your Honor.

19 THE COURT: Ms. Bronfman, your attorney advises me
20 that you wish to plead guilty to a superseding information
21 pursuant to a plea agreement, and I have certain information
22 that I have to provide you in advance of taking your plea, and
23 I have to ask you some questions.

24 I want your answers to be under oath. The deputy
25 clerk will swear you in.

PROCEEDINGS

3

1 THE COURTROOM DEPUTY: Raise your right hand,
2 please.

3 (Whereupon, the defendant was sworn/affirmed.)

4 THE DEFENDANT: I do.

5 THE COURTROOM DEPUTY: Thank you.

6 THE COURT: Okay. Please state your full name.

7 THE DEFENDANT: Clare Webb Bronfman.

8 THE COURT: Middle name is?

9 THE WITNESS: Webb, W-E-B-B.

10 THE COURT: And how old are you?

11 THE DEFENDANT: I'm 40 years old.

12 THE COURT: Okay. And how far did you go in school?

13 THE DEFENDANT: I went to the 11th grade, halfway
14 through 11th grade, high school.

15 THE COURT: Okay. And are you currently employed?

16 THE DEFENDANT: No, Your Honor.

17 THE COURT: Okay.

18 Is English your primary language?

19 THE DEFENDANT: Yes, Your Honor, it is.

20 THE COURT: Now, have you recently or are you
21 currently or recently been under the care of a physician or
22 psychiatrist, or been hospitalized or treated for any
23 narcotics addiction?

24 THE DEFENDANT: No, Your Honor, I haven't.

25 THE COURT: Okay. Have you taken any drugs,

PROCEEDINGS

4

1 medicine, or pills or drunk any alcoholic beverages in the
2 last 24 hours?

3 THE DEFENDANT: No, Your Honor, I haven't.

4 THE COURT: Okay.

5 Who is attorney?

6 THE DEFENDANT: Mr. Geragos and Miss Cassidy.

7 THE COURT: All right. Very good.

8 And have you been furnished with the charges in the
9 superseding information?

10 THE DEFENDANT: Yes, Your Honor, I have.

11 THE COURT: Have you had an opportunity to discuss
12 those charges with your counsel?

13 THE DEFENDANT: Yes. Thank you, Your Honor.

14 THE COURT: Now, the superseding information charges
15 you with two counts.

16 The first count is conspiracy to conceal and harbor
17 illegal aliens for financial gain.

18 Have you discussed that charge with your attorneys?

19 THE DEFENDANT: Yes, Your Honor, I have.

20 THE COURT: All right. And the second count is
21 fraudulent use of identification.

22 Have you discussed that charge with your attorneys?

23 THE DEFENDANT: Yes, I have, Your Honor.

24 THE COURT: Okay. And, Mr. Geragos, in your view,
25 does your client understand these charges that have been

PROCEEDINGS

5

1 brought against your client in the superseding information?

2 MR. GERAGOS: Yes, Your Honor, we discussed it.

3 Outside counsel discussed it. Expert counsel discussed it.

4 It's been a very thorough -- and we've discussed it with the

5 government. It's been a very thorough back and forth.

6 THE COURT: Okay, thank you.

7 So I'm going to discuss certain rights that you
8 have, Miss Bronfman. Please listen carefully to your rights.

9 If at any time you wish to stop and discuss anything
10 with your attorneys, just let me know. We're in no hurry
11 here. And I want to make sure that you understand everything
12 that I'm saying to you.

13 THE DEFENDANT: Thank you.

14 THE COURT: You have the constitutional right to be
15 charged by an indictment of a grand jury, but you can waive
16 that right and consent to being charged by information of the
17 U.S. Attorney.

18 Do you know what it means to waive a right?

19 THE DEFENDANT: Yes, I do.

20 THE COURT: What does it mean?

21 THE DEFENDANT: It means I no longer have that right
22 applicable to me.

23 THE COURT: Right. You given it up.

24 THE DEFENDANT: Correct.

25 THE COURT: Okay. Same idea.

PROCEEDINGS

6

1 Instead of an indictment, these felony charges
2 against have you been brought by the U.S. Attorney by the
3 filing of an information. Unless you waive indictment, you
4 may not be charged with a felony unless a grand jury finds by
5 return of an indictment that there is probable cause to
6 believe that a crime has been committed and that you committed
7 it.

8 If you do not waive indictment, the government may
9 present a case to the grand jury and ask it to indict you.

10 A grand jury is composed of at least 16, and not
11 more than 23 persons, and at least 12 grand jurors must find
12 that there is probable cause to believe you committed the
13 crime with which you are charged before you may be indicted.

14 The grand jury might or might not indict you. If
15 you waive indictment by the grand jury, the case will be
16 proceed against you on the U.S. Attorney's information just as
17 though you had been indicted.

18 So let me ask you these specific questions.

19 Miss Bronfman, have you discussed waiving your right
20 to indictment by the grand jury with your attorneys?

21 THE DEFENDANT: Yes, I have, Your Honor.

22 THE COURT: Do you understand your right to an
23 indictment by a grand jury?

24 THE DEFENDANT: I do, Your Honor.

25 THE COURT: Have any threats or promises been made

PROCEEDINGS

7

1 to induce you to waive indictment?

2 THE DEFENDANT: No, Your Honor.

3 THE COURT: And do you wish to waive your right to
4 indictment by the grand jury?

5 THE DEFENDANT: Yes, Your Honor.

6 THE COURT: I have in front of me a waiver of
7 indictment in United States of America versus Clare Bronfman.
8 The case number needs to be placed on the waiver. We'll do
9 that in a minute.

10 It's dated today, April 19th, 2019. I'm going to
11 hand the waiver of indictment to the defendant and her
12 attorneys.

13 MR. GERAGOS: Thank you.

14 THE COURT: Okay. Miss Bronfman, have you read this
15 document?

16 THE DEFENDANT: Yes, Your Honor.

17 THE COURT: Have you discussed it with your
18 attorneys?

19 THE DEFENDANT: Yes, Your Honor.

20 THE COURT: It's a waiver of indictment. And is
21 that your signature?

22 THE DEFENDANT: Yes, it is, Your Honor.

23 THE COURT: And did you execute it today?

24 THE DEFENDANT: I did, Your Honor.

25 THE COURT: And, Mr. Geragos, did you also execute

PROCEEDINGS

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1 the waiver of indictment?

2 MR. GERAGOS: I did.

3 THE COURT: Okay. Please return the waiver of
4 indictment.

5 All right. I find that the defendant has
6 intentionally, knowingly and voluntarily waived indictment by
7 the grand jury.

8 Okay. Miss Bronfman, your attorney advises me that
9 you wish to plead guilty to Counts One and Two of the
10 superseding indictment in which you are charged.

11 This is a serious decision and I must be certain
12 that you make it with a full understanding of your rights and
13 the consequences of your plea. I'm going to explain certain
14 rights to you, and I'm going to ask you questions. You have
15 been previously placed under oath.

16 You understand that having been sworn to tell the
17 truth, you must do so. If you were to deliberately lie in
18 response to any question I ask you, you can face further
19 criminal charges for perjury.

20 Do you understand that?

21 THE DEFENDANT: Yes, Your Honor, I do.

22 THE COURT: If I say anything that you do not
23 understand or if you need me to repeat anything, just ask. It
24 is important that you understand everything that goes on in
25 these proceedings.

PROCEEDINGS

9

1 Is that clear?

2 MS. HAJJAR: Yes. Thank you, Your Honor.

3 THE COURT: Miss Bronfman, how old are you?

4 THE DEFENDANT: I'm 40 years old.

5 THE COURT: How far did you go in school?

6 THE DEFENDANT: Halfway through 11th grade, high
7 school.

8 THE COURT: Where did you go to school?

9 THE DEFENDANT: Predominately in England, and then I
10 went one year and a half in America.

11 THE COURT: Where?

12 THE DEFENDANT: One year and a half in America at
13 Taft, and then in Charlottesville, Virginia.

14 THE COURT: I see.

15 And what country are you a citizen?

16 THE DEFENDANT: Of this country, United States.

17 THE COURT: Okay. And is English your primary
18 language?

19 THE DEFENDANT: Yes, Your Honor.

20 THE COURT: Counsel, have you had any difficulty
21 communicating with your client in any way?

22 MR. GERAGOS: No, none whatsoever.

23 MS. CASSIDY: No, Your Honor.

24 THE COURT: Okay, thank you.

25 Now, Miss Bronfman, I must be certain that whatever

PROCEEDINGS

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1 decision you make today, you make with a clear head, so I'm
2 going to ask you some questions about your health.

3 Are you currently or have you recently been under
4 the care of a doctor or psychiatrist for any reason?

5 THE DEFENDANT: No, Your Honor.

6 THE COURT: In the past 24 hours, have you taken any
7 pills or drugs or medicine of any kind?

8 THE DEFENDANT: No, Your Honor.

9 THE COURT: In the past 24 hours, have you drunk any
10 alcoholic beverages?

11 THE DEFENDANT: No, Your Honor.

12 THE COURT: Have you ever been hospitalized or
13 treated for any drug-related problem?

14 THE DEFENDANT: No, Your Honor.

15 THE COURT: Is your mind clear as you stand here
16 today?

17 THE DEFENDANT: Yes, it is.

18 THE COURT: You understand everything being said to
19 you?

20 THE DEFENDANT: Yes, I do.

21 THE COURT: Mr. Geragos, have you discussed the
22 question of a guilty plea with your client?

23 MR. GERAGOS: Yes.

24 THE COURT: In your view, does she understand the
25 rights she will be waiving by pleading guilty?

PROCEEDINGS

11

1 MR. GERAGOS: Absolutely.

2 THE COURT: Do you have any question as to your
3 client's competence to proceed today?

4 MR. GERAGOS: None whatsoever.

5 THE COURT: Miss Bronfman, you have a right to be
6 represented by counsel at trial and at every other stage of
7 the proceedings in this case.

8 Do you understand?

9 THE DEFENDANT: Yes, I do.

10 THE COURT: If at any time in the future it becomes
11 necessary to do so, the Court will appoint counsel for you.

12 Do you understand that?

13 THE DEFENDANT: Yes, I do.

14 THE COURT: Miss Bronfman, are you satisfied with
15 the assistance your attorneys have given you thus far in this
16 matter?

17 THE DEFENDANT: I am extremely.

18 THE COURT: Do you feel you need any more time to
19 discuss with them the question of a guilty plea?

20 THE DEFENDANT: No, Your Honor.

21 THE COURT: I'm going to go over the charges with
22 you.

23 Charge One of the superseding information is for
24 conspiracy to conceal and harbor illegal aliens for financial
25 gain, and it reads as follows:

PROCEEDINGS

12

1 In or about and between October 2015 and
2 January 2018, both dates being approximate and inclusive,
3 within the Eastern District of New York and elsewhere, the
4 defendant, Clare Bronfman, together with others, knowingly and
5 in reckless disregard of the fact that one or more aliens had
6 come to enter and remained in the United States through
7 violation of law, did knowingly and intentionally conspire to
8 conceal, harbor and shield from detection such aliens in one
9 or more places, including buildings and means of
10 transportation, contrary to Title 8, United States Code,
11 Section 1324(a)(1)(A)(iii), which offense was done for the
12 purpose of commercial advantage and private financial gain,
13 end quote.

14 Do you understand the charge in Count One of the
15 superseding information?

16 THE DEFENDANT: Yes, Your Honor.

17 THE COURT: I'm going to ask the government to set
18 forth the elements of the crime that the government would have
19 to prove to a jury unanimously and beyond a reasonable doubt
20 in order to convict you of Count One if you decided to go to
21 trial.

22 MR. PENZA: Thank you, Your Honor.

23 For Count One of the third superseding information,
24 conspiracy to conceal and harbor illegal aliens for financial
25 gain, which is based on the same core conduct as Racketeering

PROCEEDINGS

13

1 Act Eleven of Count Two in the second superseding indictment,
2 the government would prove that:

3 In or about and between October 2015 and
4 January 2018, in the Eastern District of New York and
5 elsewhere:

6 First, as to the conspiracy portion, that there was
7 an agreement between Clare Bronfman and others to conceal or
8 harbor an illegal alien for financial gain, and that Clare
9 Bronfman knowingly and intentionally became a member of the
10 conspiracy.

11 Second, that an alien was in the United States in
12 violation of law.

13 Here the government would prove that Jane Doe 12, an
14 individual who is known to the government and the defendant,
15 was in the United States in violation of law because she was
16 in the United States on a work visa that had been procured
17 through false statements by Clare Bronfman.

18 Third, that the defendant knew or acted in reckless
19 disregard of the facts that the person was an alien who had
20 come to, entered or remained in the United States in violation
21 of the law.

22 Here the government would prove that Clare Bronfman
23 knew that Jane Doe 12 was in the United States in violation of
24 the law, because she was in the United States -- because
25 Bronfman knew that the work visa had been procured on the

PROCEEDINGS

14

1 basis of false statements by herself.

2 Fourth, that the defendant's actions in harboring an
3 alien substantially facilitated the alien's ability to remain
4 in the United States.

5 Here the government would prove that Bronfman's
6 housing of Jane Doe 12 substantially facilitated Jane Doe 12's
7 ability to remain in the United States.

8 And fifth, that the defendant acted for the purpose
9 of commercial advantage or private financial gain.

10 Here the government would prove that Bronfman's
11 harboring of Jane Doe 12 was to obtain Jane Doe 12's labor and
12 services for Bronfman, and for one of the NXIVM organizations
13 in which Bronfman held a financial interest without paying
14 Jane Doe 12.

15 And we would also prove that the venue was proper in
16 the Eastern District of New York, because Jane Doe 12 flew
17 into the Eastern District of New York to reach the Northern
18 District of New York where she was harbored by Clare Bronfman.

19 As to Count Two --

20 THE COURT: Wait. We're not at Count Two.

21 MR. PENZA: I'm sorry, Your Honor.

22 THE COURT: One count at a time.

23 MR. PENZA: Yes, Your Honor.

24 THE COURT: Miss Bronfman, do you understand the
25 elements of the crime that the government would have to prove

PROCEEDINGS

15

1 to a jury beyond a reasonable doubt, and unanimously in order
2 to convict you of the crime charged in Count One of the
3 superseding information?

4 THE DEFENDANT: I do, Your Honor.

5 THE COURT: Okay. Let's move on to Count Two.

6 Count Two alleges fraudulent use of identification,
7 and it reads as follows, quote:

8 In or about and between November 2016 and
9 March 2018, both dates being approximate and inclusive, within
10 the Northern District of New York and elsewhere, the
11 defendant, Clare Bronfman, together with others, did knowingly
12 and intentionally transfer, possess and use without lawful
13 authority, in and affecting interstate and foreign commerce
14 one or more means of identification of another person to wit:
15 Jane Doe 7, an individual whose identity is known to the
16 United States Attorney, with the intent to commit and aid and
17 abet and in connection with unlawful activity that constituted
18 one or more violations of federal law, to wit: Attempted tax
19 evasion in violation of Title 26, United States Code,
20 Section 7201, resulting in the obtaining of things of value
21 aggregating \$1,000 or more during a one-year period, end
22 quote.

23 So do you understand the charge that has been
24 brought against you in Count Two?

25 THE DEFENDANT: I do, Your Honor.

PROCEEDINGS

16

1 THE COURT: And as to Count Two, it's in the
2 Northern District of New York.

3 MR. PENZA: That is correct, Your Honor.

4 THE COURT: And do I need a waiver of venue for
5 that?

6 MR. PENZA: Yes, Your Honor.

7 THE COURT: Is the defense waiving venue as to
8 Count Two?

9 MR. GERAGOS: Correct, we are.

10 THE COURT: Okay. Very well. All right.

11 In order to convict you of Count Two, the government
12 will have to prove certain elements of the crime to a jury
13 beyond a reasonable doubt and unanimously.

14 I'm going to ask the government to set forth the
15 elements of the crime that would be required in order to
16 convict you.

17 MR. PENZA: For Count Two of the third superseding
18 information, fraudulent use of identification, which is based
19 on the same core conduct as Racketeering Act Fourteen of
20 Count Two in the second superseding indictment, the government
21 would prove that in or about and between November 2016 and
22 March 2018, in the Northern District of New York and
23 elsewhere:

24 First, that the defendant knowingly caused the use
25 of a means of identification of another person.

PROCEEDINGS

17

1 Here the government would prove that Clare Bronfman
2 knowingly caused the use of the name and credit card number
3 belonging to Jane Doe 7, an individual known to the government
4 and the defendant, by facilitating Keith Raniere's use of Jane
5 Doe 7's credit card after Jane Doe 7 died.

6 Second, that the defendant did so without lawful
7 authority.

8 Here the government would prove that Jane Doe 7 was
9 deceased, and that no one had lawful authority to use her
10 credit card.

11 Third, that the defendant aided or abetted tax
12 evasion.

13 Here the government would prove that by facilitating
14 Keith Raniere's use of Jane Doe 7's credit card, Bronfman
15 aided and abetted tax evasion by Keith Raniere as part of a
16 scheme to allow him to falsely portray himself as a renunciate
17 and to not pay taxes on his income and assets.

18 Fourth, that use of the means of identification of
19 another person was in or affected commerce between one state
20 and another, or between a state of the United States and
21 another country.

22 Here the government would prove that Jane Doe 7's
23 name and credit card number were used to make purchases of
24 items from out of New York State that were then shipped to New
25 York State.

PROCEEDINGS

18

1 Finally, that the use of the means of identification
2 resulted in the obtaining of things of value aggregating
3 \$1,000 or more during a one-year period.

4 Here the government would prove that significantly
5 over \$1,000 worth of purchases were made on Jane Doe 7's
6 credit card within a one-year period.

7 THE COURT: So, Miss Bronfman, do you understand the
8 elements of the crime that the government would have to prove
9 to a jury unanimously and beyond a reasonable doubt in order
10 to convict you if you went to trial on Count Two, fraudulent
11 use of identification?

12 THE DEFENDANT: I do, Your Honor.

13 THE COURT: All right. I'm going to go over certain
14 rights that you have. Please listen carefully to your rights.

15 You have the right to plead not guilty to these
16 charges. No one can be forced to plead guilty.

17 Do you understand that?

18 THE DEFENDANT: I do, Your Honor.

19 THE COURT: If you plead not guilty to these
20 charges, you have the right under the constitution and laws of
21 the United States to a speedy and public trial before a jury
22 with the assistance of your attorney.

23 Do you understand that?

24 THE DEFENDANT: Yes, Your Honor, I do.

25 THE COURT: At any trial, you would be presumed to

PROCEEDINGS

19

1 be innocent. You would not have to prove that you were
2 innocent. This is because under our system of law, it is the
3 government that must come forward with proof that establishes
4 beyond a reasonable doubt that are you guilty of the crimes
5 charged. If the government failed to meet this burden of
6 proof, the jury would have the duty to find you not guilty.

7 Do you understand that?

8 THE DEFENDANT: Yes, Your Honor.

9 THE COURT: In the course of the trial, witnesses
10 for the government would have to come here to court and
11 testify in your presence. Your attorneys would have the right
12 to cross-examine these witnesses. They could raise legal
13 objections to evidence the government sought to offer against
14 you. They could offer evidence on your behalf and compel
15 witnesses to come to court and testify if you or your
16 attorneys thought there was evidence that might help you in
17 this case.

18 Do you understand that?

19 THE DEFENDANT: Yes, Your Honor.

20 THE COURT: At a trial, you would have the right to
21 testify in your own behalf, if you wished to do so. On the
22 other hand, you could not be forced to be a witness at your
23 trial. This is because under the constitution and laws of the
24 United States, no person can be compelled to be a witness
25 against herself. If you wish to go to trial and chose not to

PROCEEDINGS

20

1 testify, I would instruct the jury that they could not hold
2 that against you.

3 Do you understand that?

4 THE DEFENDANT: I do, Your Honor.

5 THE COURT: Instead of going to trial you plead
6 guilty to the crimes charged, and if I accept your pleas of
7 guilty, you will be giving up your right to a trial and all
8 the other rights I have just discussed. There will be no
9 trial in this case, as far as you are concerned. There will
10 be no appeal on the question of whether you did or did not
11 commit these crimes. The only reason that you could appeal
12 would be if you thought I did not properly follow the law in
13 sentencing you; otherwise, I will simply enter a judgment of
14 guilty based upon your pleas of guilty.

15 Do you understand that?

16 THE DEFENDANT: I do, Your Honor.

17 THE COURT: If you do plead guilty, I will have to
18 ask you certain questions about what you did in order to
19 satisfy myself that you are guilty of these charges. You'll
20 have to answer my questions and acknowledge your guilt. If
21 you do this, you will be giving up your right not to
22 incriminate yourself.

23 Do you understand that?

24 THE DEFENDANT: Yes, Your Honor.

25 THE COURT: Miss Bronfman, are you willing to give

PROCEEDINGS

21

1 up your right to a trial and all the other rights I have just
2 discussed with you?

3 THE DEFENDANT: I am, Your Honor.

4 (Court Exhibit 1, was received in evidence.)

5 THE COURT: I have in front of me a plea agreement
6 in United States of America against Clare Bronfman,
7 18-CR-204-S3. It's marked as Court's Exhibit Number 1. It's
8 dated today, April 19th, 2019, and it consists of 11 pages.
9 And I'm going to hand it to the defendant and her attorneys
10 and ask some questions.

11 Miss Bronfman, have you read this document?

12 THE DEFENDANT: I have, Your Honor.

13 THE COURT: And have you discussed it with your
14 attorneys?

15 THE DEFENDANT: I have, Your Honor.

16 THE COURT: Have your attorneys answered any and all
17 questions that you had about it?

18 THE DEFENDANT: Yes, Your Honor.

19 THE COURT: And do you understand your rights and
20 your obligations under this agreement?

21 THE DEFENDANT: Yes, Your Honor.

22 THE COURT: Mr. Geragos, are you satisfied that your
23 client understands her rights and obligations under this
24 agreement?

25 MR. GERAGOS: I am.

PROCEEDINGS

22

1 THE COURT: On page 11 of the agreement,
2 Miss Bronfman, is that your signature by your name?

3 THE DEFENDANT: Yes, Your Honor.

4 THE COURT: Did you sign it today?

5 THE DEFENDANT: I did.

6 THE COURT: And your counsel also signed it today;
7 is that correct?

8 MR. GERAGOS: That's correct. Both Miss Cassidy and
9 I signed it this afternoon.

10 THE COURT: And the government has executed the
11 agreement as well?

12 MR. PENZA: Yes, Your Honor.

13 THE COURT: Okay, please return the agreement.

14 Now, I have an important question for you,
15 Miss Bronfman.

16 Is there any other promise that's been made to get
17 you to plead guilty that is not found in this agreement?

18 THE DEFENDANT: No, Your Honor.

19 THE COURT: Okay.

20 Now, I'm going to go over the statutory penalties
21 associated with pleading guilty to these crimes. The
22 statutory penalties are set forth in paragraph 1 of the plea
23 agreement.

24 As to Count One, conspiracy to conceal and harbor
25 aliens for financial gain, the maximum term of imprisonment is

PROCEEDINGS

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1 ten years. The minimum term of imprisonment, there is no
2 minimum term of imprisonment.

3 The maximum supervised release term is three years,
4 which would follow any term of imprisonment.

5 If a condition of release is violated, you could be
6 sentenced to up to two years in jail without credit for the
7 time you previously served in jail, or the time you previously
8 served on supervised release.

9 There's a maximum fine of \$250,000.

10 Restitution. With regard to restitution, the
11 parties agree that restitution in the amount of \$96,605.25
12 payable to John Doe -- I'm sorry, Jane Doe 12, an individual
13 whose identity is known to the defendant, should be ordered by
14 the Court.

15 There's a \$100 special assessment.

16 And the defendant is subject to criminal forfeiture
17 as set forth elsewhere in the agreement.

18 Do you understand the statutory penalties associated
19 with pleading guilty to Count One?

20 THE DEFENDANT: I do, Your Honor.

21 THE COURT: With regard to Count Two, fraudulent use
22 of identification, the maximum term of imprisonment is 15
23 years. There's no minimum term of imprisonment.

24 The maximum supervised release term is three years,
25 which would follow any term of imprisonment.

PROCEEDINGS

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1 If a condition of release is violated, you could be
2 sentenced up to two years in jail without credit for the time
3 you previously served in jail, or the time you previously
4 served on supervised release.

5 The maximum fine is the greater of \$250,000, or
6 twice the gross gain, or twice the gross loss.

7 Restitution is mandatory in the full amount of each
8 victim's losses as determined by the Court.

9 There's a \$100 special assessment, which is
10 mandatory.

11 In addition, you're subject to criminal forfeiture
12 as set forth elsewhere in the plea agreement.

13 Sentence is imposed -- well, sentence is imposed on
14 the two counts can run consecutively or concurrently.

15 You understand the statutory penalties associated
16 with pleading guilty to Count Two of the superseding
17 information?

18 THE DEFENDANT: I do, Your Honor.

19 THE COURT: At this point I'm going to discuss the
20 sentencing process with you, Miss Bronfman.

21 Mr. Geragos, have you discussed sentencing with your
22 client?

23 MR. GERAGOS: I have, Your Honor.

24 THE COURT: And in your view, does Miss Bronfman
25 have a basic understanding about how sentencing would work in

PROCEEDINGS

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1 her case?

2 MR. GERAGOS: More than basic.

3 THE COURT: Okay.

4 Miss Bronfman, have your attorneys answered all your
5 questions about the sentencing process?

6 MR. GERAGOS: They have, Your Honor.

7 THE COURT: And do you believe you have a basic
8 understanding, at least a basic understanding about how
9 sentencing would work in your case?

10 THE DEFENDANT: Yes, Your Honor.

11 THE COURT: Well, I'm going to discuss it with you
12 as well.

13 THE DEFENDANT: Thank you.

14 THE COURT: And if at any point you wish to consult
15 with your attorneys, just let me know, we'll stop, and you can
16 have a conversation with your attorneys. We're in no hurry.

17 THE DEFENDANT: Thank you. I appreciate it.

18 THE COURT: Miss Bronfman, in sentencing you, I'm
19 required to take into consideration a number of things about
20 you and about the crimes to which you are pleading guilty.
21 When I do that, I will be directed to a guideline that will
22 provide a sentencing range. I'm not required to sentence you
23 within the range provided by the guideline, but I am required
24 to carefully consider the guideline recommendation, among
25 other things, in deciding what would constitute a reasonable

PROCEEDINGS

26

1 sentence in your case.

2 It's my experience that a sentence within the
3 guideline range is often reasonable and appropriate, but this
4 is not always the case.

5 In determining an appropriate sentence for your
6 case, I will consider possible departures from that range
7 under the sentencing guidelines, as well as other statutory
8 sentencing guidelines.

9 I may ultimately decide to impose a sentence that is
10 more lenient or more severe than the one recommended by the
11 guidelines. If I do so, I will explain the reasons for the
12 sentence that I have selected.

13 Do you understand that?

14 THE DEFENDANT: I do, Your Honor.

15 THE COURT: It's important to understand that no one
16 knows today what your exact guideline range will be. Any
17 calculations contained in your plea agreement are estimates,
18 and I am not bound by them.

19 Do you understand that?

20 THE DEFENDANT: I do, Your Honor.

21 THE COURT: Before I impose sentence, I will receive
22 a report prepared by the Probation Department, which will
23 calculate a particular guideline range. You and your
24 attorneys will have the opportunity to see that report.

25 If you think it is mistaken or incomplete in any

PROCEEDINGS

27

1 way, you will have the opportunity to bring that to my
2 attention.

3 You must understand that no one can make any promise
4 to you as to the sentence I will impose. Your attorneys or
5 the prosecutors may have made predictions to you, and they
6 make recommendations to the Court concerning the sentence I
7 should impose, and I will listen carefully to whatever they
8 say. But you must clearly understand that the final
9 responsibility for sentencing you is mine alone.

10 While I may view this case identically to the
11 attorneys, I may also view the case differently; if so, I may
12 not impose the sentence that they have predicted or
13 recommended. Even if I sentence you differently from what the
14 attorneys or anyone else has estimated or predicted, you would
15 still be bound by your guilty plea and you will not be allowed
16 to withdraw it.

17 Now, the government has made a prediction as to the
18 calculation of your guideline.

19 Let me understand this, Ms. Penza.

20 Assuming the defendant pleads guilty today and
21 accepts responsibility, the government is predicting that the
22 defendant will have an adjusted offense level of 16, and
23 assuming she is in Criminal History Category I, that her
24 guideline would be 21 to 27 months in the custody of the
25 Attorney General.

PROCEEDINGS

28

1 Is that your current prediction?

2 MR. PENZA: Yes, it is, Your Honor.

3 THE COURT: You understand the government's current
4 prediction?

5 THE DEFENDANT: I do, Your Honor.

6 THE COURT: Now, in this plea agreement letter
7 that's dated today, April 19th, 2019, you have just told me
8 that you have discussed with your attorneys and which you
9 signed today, there is an agreement regarding your right to
10 appeal your sentence.

11 The agreement letter says, and I want to make sure
12 you understand this, that by signing this agreement, you agree
13 not to appeal, or in any other way challenge the sentence I
14 impose upon you if it is 27 months or less. If I were to
15 sentence to you more than 27 months in jail, and you believe
16 there was a legal or other error in my doing that, you would
17 then have the right to appeal your sentence to the United
18 States Court of Appeals for the Second Circuit.

19 Do you understand that?

20 THE DEFENDANT: I do, Your Honor.

21 THE COURT: Do you understand that you have the
22 right to appeal only if I sentence you to more than 27 months?

23 THE DEFENDANT: Yes.

24 THE COURT: Do you understand that even if the
25 sentence I give is you more severe than what you may be

PROCEEDINGS

29

1 thinking or hoping you will receive, you are still going to be
2 bound by your guilty pleas and not permitted to withdraw them,
3 and you will not be able to challenge or appeal that sentence
4 as long as it is 27 months or less, as we have discussed?

5 THE DEFENDANT: I do, Your Honor.

6 THE COURT: Okay. Miss Bronfman, do you have any
7 questions you would like to ask me about the charges, your
8 rights, or anything else related to this matter that may not
9 be clear?

10 THE DEFENDANT: No, Your Honor. Thank you.

11 THE COURT: Mr. Geragos, is there anything you would
12 like me to discuss with your client in further detail before I
13 proceed to formal allocution?

14 MR. GERAGOS: No, Your Honor.

15 THE COURT: Do you know of any reason why your
16 client should not enter pleas of guilty to these charges?

17 MR. GERAGOS: None.

18 THE COURT: Are you aware of any viable legal
19 defenses to these charges?

20 MR. GERAGOS: Well, depends on your definition of
21 viability. But, no, I think this is clearly --

22 THE COURT: Do you want to talk about definitions of
23 viability?

24 MR. GERAGOS: No, I don't.

25 THE COURT: I'll get my dictionary.

PROCEEDINGS

30

1 MR. GERAGOS: She falls squarely within the two
2 counts. The activity falls squarely within the two counts.

3 THE COURT: All right. Very well.

4 Anything else before I proceed to the allocution and
5 taking the plea?

6 MR. PENZA: Your Honor, if we could just ask to
7 putting on the record the forfeiture judgment, and that it
8 will be paid within 60 days of today, in paragraph 6?

9 THE COURT: I was going to do that later, but...

10 In the plea agreement -- let me just go over that
11 then.

12 MR. PENZA: Yes, Your Honor. Thank you.

13 THE COURT: I'm aware of whether or not there will
14 be regard to that.

15 MR. GERAGOS: The only concern --

16 THE COURT: I understand.

17 MR. GERAGOS: Okay. Got it. That's why I shut up
18 quickly.

19 THE COURT: No, no.

20 And counsel is right on the case right there. Okay.

21 Now, in paragraph 6 of the plea agreement,
22 Miss Bronfman consents to the entry of a forfeiture money
23 judgment in the amount of \$6 million.

24 And this is in lieu -- is this in lieu of the
25 forfeiture of actual property?

PROCEEDINGS

31

1 MR. PENZA: Yes, that's correct.

2 THE COURT: I'm sorry, real property?

3 MR. PENZA: That's correct, Your Honor.

4 THE COURT: I see.

5 So the \$6 million is in lieu of the forfeiture of
6 items of real property.

7 MR. PENZA: Correct.

8 THE COURT: Pieces of real property.

9 MR. PENZA: Yes, Your Honor.

10 THE COURT: Is that correct?

11 MR. GERAGOS: That is correct.

12 THE COURT: And you understand that, Miss Bronfman?

13 THE DEFENDANT: I do, Your Honor.

14 THE COURT: And do you accept that?

15 THE DEFENDANT: I do, Your Honor.

16 MR. PENZA: Thank you, Your Honor.

17 THE COURT: And the sum, the forfeiture sum must be
18 paid within 60 days?

19 MR. PENZA: Yes. After today?

20 THE COURT: After the day of pleading, which is
21 today.

22 Do you agree to that?

23 THE DEFENDANT: Yes, Your Honor.

24 MR. GERAGOS: Yes.

25 THE COURT: Okay.

PROCEEDINGS

32

1 MR. PENZA: Thank you, Your Honor.

2 THE COURT: Okay, that's fine.

3 So let me ask you again: Are you ready to plead at
4 this time?

5 THE DEFENDANT: Yes, Your Honor.

6 THE COURT: Okay.

7 How do you plead to the charge contained in Count
8 One of the superseding information charging you with
9 conspiracy to conceal and harbor illegal aliens for financial
10 gain?

11 THE DEFENDANT: I plead guilty, Your Honor.

12 THE COURT: How do you plead to the charge contained
13 as Count Two of the superseding information charging you with
14 fraudulent use of identification, guilty or not guilty?

15 THE DEFENDANT: Guilty, Your Honor.

16 THE COURT: Are you making these pleas of guilty
17 voluntarily and of your own free will?

18 THE DEFENDANT: I am, Your Honor.

19 THE COURT: Has anybody threatened or forced you to
20 plead guilty?

21 THE DEFENDANT: No, Your Honor.

22 THE COURT: Other than the plea agreement, has
23 anyone made you any agreement that caused you to plead guilty?

24 THE DEFENDANT: No, Your Honor.

25 THE COURT: Has anyone made you any promise about

PROCEEDINGS

33

1 the sentences you will receive for these two crimes?

2 THE DEFENDANT: No, Your Honor.

3 THE COURT: All right.

4 So at this point I'd like you to tell the Court,
5 briefly in your own words, what you did to commit --

6 Are we going to do them separately or together?

7 MR. GERAGOS: Together.

8 THE COURT: Together.

9 -- these two crimes.

10 So what I'd like you to do, you have a prepared
11 allocution, which I take it you have discussed with your
12 attorneys?

13 THE DEFENDANT: I have, Your Honor.

14 THE COURT: Okay. So what I'd like you to do is
15 slowly read your allocution. All right.

16 And you've gone over these with your attorneys?

17 THE DEFENDANT: I have, yes.

18 THE COURT: But it is your statement.

19 THE DEFENDANT: Correct.

20 THE COURT: Okay. Please go ahead.

21 THE DEFENDANT: Thank you.

22 Your Honor, I was afforded a great gift by my
23 grandfather and my father. With the gift comes immense
24 privilege, and more importantly, tremendous responsibility.
25 It does not come with the ability to break the law, it comes

PROCEEDINGS

34

1 with a great responsibility to uphold the law. I failed to
2 uphold the following laws set forth by this country, and for
3 that I'm truly remorseful.

4 Between approximately October 2015 and January 2018,
5 along with others, I did harbor an individual who I knew had
6 remained in the United States in violation of the law. I
7 substantially facilitated her to live and work in our country
8 in a way that would be undetected, and I was wrong. She did
9 work for me and businesses I was affiliated with, so her work
10 was a financial benefit to me.

11 Additionally, I was wrong to facilitate the use of
12 someone's credit card who had passed away.

13 Between approximately November 2016 and March 2018,
14 I knowingly facilitated the use by another person of a
15 deceased person's credit card, and the use of that person's
16 bank account to the pay the bills for the credit card which
17 were more than a thousand dollars.

18 My office and I handled the logistics of payment of
19 the credit card bill from the bank account, and the person
20 using the credit card did not intend to pay taxes on the
21 income received in the form of payment for goods purchased on
22 the credit card.

23 I meant no harm in either case, however, that does
24 not justify my actions nor their affects, and for this I am
25 truly sorry.

PROCEEDINGS

35

1 I endeavored to do good in the world and to help
2 people, however, I have made mistakes. This experience has
3 taught me the gravity of my responsibility, and I will take
4 these lessons forward in every future decision. Thank you.

5 THE COURT: Are there any other questions that you
6 would like me to ask the defendant?

7 MR. PENZA: Yes, Your Honor.

8 The government would ask that the defendant
9 stipulate as to Count Two that the more than a thousand
10 dollars was within a one-year period.

11 MR. GERAGOS: So stipulated.

12 MR. PENZA: I believe the defendant needs to
13 stipulate.

14 THE COURT: Yes, she has to.

15 Do you stipulate to the fact that the more than the
16 thousand dollar was within a one-year period?

17 THE DEFENDANT: I do, Your Honor.

18 MR. PENZA: And, Your Honor, we would ask that the
19 defendant stipulate that the use of the identification that it
20 did affect interstate commerce.

21 THE COURT: Do you stipulate that the use of the
22 identification did involve interstate commerce?

23 THE DEFENDANT: I do, Your Honor. I stipulate to
24 that.

25 THE COURT: And?

PROCEEDINGS

36

1 MR. PENZA: And, Your Honor, I know the defendant
2 did waive venue, but I don't believe she allocuted as to
3 venue. So if she could stipulate that as to the Count One,
4 that it happened within the Eastern District of New York and
5 elsewhere, and as to Count Two, the Northern District of New
6 York and elsewhere.

7 THE COURT: So with regard to Count One, did the
8 offense take place within the Eastern District of New York and
9 elsewhere?

10 THE DEFENDANT: Yes, Your Honor.

11 THE COURT: And as to Count Two, did that crime take
12 place within the Northern District of New York and elsewhere?

13 THE DEFENDANT: Yes, Your Honor.

14 THE COURT: Anything further?

15 MR. PENZA: No, Your Honor. Thank you.

16 THE COURT: Anything further?

17 MR. GERAGOS: No, Your Honor. Thank you.

18 MS. CASSIDY: No, thank you.

19 THE COURT: Very well.

20 Based on the information that you've given me,
21 Miss Bronfman, I find that you were acting voluntarily, that
22 you fully understand the charges, your rights, and the
23 consequences of your pleas; there is, moreover, a factual
24 basis for each of your pleas, I therefore accept your pleas of
25 guilty to Counts One and Two of the superseding information.

PROCEEDINGS

37

1 I'm going to set a sentencing date of Wednesday,
2 July 31st, 2019.

3 MR. GERAGOS: I have that case in Utah which starts
4 on the 29th of July. Is there any way to do it either the
5 week before?

6 THE COURT: Sure.

7 Is the Government available the week before?

8 MR. PENZA: Yes, Your Honor.

9 THE COURT: Wednesday, July 24th.

10 MR. GERAGOS: Thank you.

11 THE COURT: How long is that trial going to take
12 you?

13 MR. GERAGOS: Eight to ten weeks.

14 THE COURT: Let's make it Thursday, July 25th, at
15 2:30 p.m.

16 MR. PENZA: Thank you, Your Honor.

17 MR. GERAGOS: Thank you, Your Honor.

18 THE COURT: All right, Thursday, July 25th,
19 2:30 p.m.

20 Miss Bronfman, you're going to be contacted by a
21 probation officer for a presentence interview. Your attorneys
22 will want to be present for the interview. Please cooperate
23 with the probation officer, who will ask you questions about
24 your background and your education and your health and so
25 forth.

PROCEEDINGS

38

1 The probation officer will write a presentence
2 investigation report. That will be provided to you and your
3 attorneys to review, and to the government and to the Court.

4 If there's anything that's erroneous in the report,
5 or if you want me to know something about you that hasn't been
6 covered in the report, please discuss that with your attorneys
7 and they will provide a letter to the probation officer
8 identifying those items that need to be dealt with.

9 And then I will have read everything that's in the
10 report and any letters and other materials that are provided
11 to me by your lawyers and by the government prior to the
12 sentencing. So when you come to court and on the day of
13 sentencing, I will be prepared to sentence you.

14 Should you think of anything at the last minute and
15 want to mention it in your statement at sentencing, please
16 discuss that with your attorneys in advance before saying
17 anything to me.

18 THE DEFENDANT: Yes. Thank you, Your Honor.

19 THE COURT: All right?

20 Okay. I'm going to return the plea agreement to the
21 government and request a photostatic copy for the Court's
22 file.

23 MR. PENZA: Thank you.

24 THE COURT: And is there anything else from the
25 government?

PROCEEDINGS

39

1 MR. PENZA: No, Your Honor.

2 THE COURT: Bail remains in place.

3 MR. PENZA: Yes, Your Honor.

4 MR. GERAGOS: Thank you very much.

5 THE COURT: All right. Thank you very much.

6 Have a nice day.

7

8 (Whereupon, the matter was concluded.)

9

10 * * * *

11

12 I certify that the foregoing is a correct transcript from the
record of proceedings in the above-entitled matter.

13

14 s/ Linda D. Daneleczyk

April 20, 2019

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16 LINDA D. DANELECZYK

DATE

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